GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1673
ANSWERED ON:12.12.2003
IMPROVEMENT OF INFRASTRUCTURE AND INDUSTRIAL AREAS
BASUDEB ACHARIA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have considered to improve infrastructure and industrial areas and also cleared a fund for that purpose;

(b) if so, the details thereof and details of areas where the fund to be utilised;

(c) whether Special Purpose Vehicle (SPV) will also be formed to take up project; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH.VIDYASAGAR RAO

(a) : Yes sir.

(b) to (d) : The Industrial Infrastructure Upgradation Scheme (IIUS) is a Central Sector Scheme, with a provision of Rs. 675 crore to be implemented by the Department of Industrial Policy and Promotion in the Tenth Plan . The objective of the scheme is to enhance international competitiveness of the domestic industry by providing quality infrastructure through public-private partnership approach in selected industrial clusters/locations. The scheme envisages provision of physical infrastructure like water, transport, road, communication etc. Other common infrastructure like fuel/gas supply system, effluent treatment, solid waste disposal, product design, captive power generation, Information and Communication Technology Infrastructure (ICT) support and infrastructure identified by the cluster association, and approved by the Apex Committee, can also be considered under the scheme.

The Central assistance will be restricted to 75% of the project cost subject to a ceiling of Rs. 50 crore. The remaining 25% will be financed by other stake holders of the respective cluster/location with a minimum industry contribution of 15% of total project cost. The industrial areas where the funds will be utilised will be decided by an Inter-Ministerial APEX Committee after the scheme is notified.

The scheme will be implemented through a Special Purpose Vehicle (SPV) formed by the cluster/industry association which will carry out the business of developing, operating and maintaining the infrastructure facilities created in the industrial locations. SPV will be an independent legal entity registered under Companies/Societies Act.